



IT IS ORDERED as set forth below:

Date: January 25, 2024

**Paul W. Bonapfel
U.S. Bankruptcy Court Judge**

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ROME DIVISION

IN RE:)	CHAPTER 11
)	
REGIONAL HOUSING & COMMUNITY)	Jointly Administered Under
SERVICES CORP., et al.,)	CASE NO. 21-41034-pwb
)	
Debtors.)	
)	

**ORDER APPROVING DEBTORS' SECOND MOTION FOR
AUTHORITY TO ENTER INTO PREMIUM FINANCE AGREEMENT**

This matter came before the Court on the motion (the “**Motion**”) filed by the above-captioned debtors and debtors in possession in the above-styled jointly administered case (collectively, the “**Debtors**”),¹ requesting authorization to enter into a certain premium finance

¹ The Debtors in these Chapter 11 cases include: Regional Housing & Community Services Corporation, RHCSC Columbus AL Holdings LLC, RHCSC Columbus Health Holdings LLC, RHCSC Douglas AL Holdings LLC, RHCSC Douglas Health Holdings LLC, RHCSC Gainesville AL Holdings LLC, RHCSC Gainesville Health Holdings LLC, RHCSC Montgomery I AL Holdings LLC, RHCSC Montgomery I Health Holdings LLC, RHCSC Montgomery II AL Holdings LLC, RHCSC Montgomery II Health Holdings LLC, RHCSC Rome AL Holdings LLC, RHCSC Rome Health Holdings LLC, RHCSC Savannah AL Holdings LLC, RHCSC Savannah Health Holdings LLC, RHCSC Social Circle AL Holdings LLC, and RHCSC Social Circle Health Holdings LLC.



agreement between the Debtors and IPFS Corporation (“**IPFS**”), which agreement finances the payment of premiums paid upon the Debtors’ insurance policies (the “**Policies**”) named therein (a copy of said agreement being annexed as an exhibit to the Motion and hereinafter referred to as the “**Agreement**”). By Notice of Hearing dated December 29, 2023 [Dkt. No. 280], and pursuant to the procedures established under this Court’s Second Amended and Restated General Order No. 24-2018, parties in interest were provided with due and proper notice of the Motion, the deadline of January 19, 2024 (the “**Response Deadline**”), to file a response in opposition thereto, and the hearing scheduled for January 30, 2024, to consider the Motion and any timely filed response thereto. No response to the Motion was filed prior to the Response Deadline. Therefore, after considering the Motion and all other matters of record, including the lack of any response in opposition to the Motion, the Court finds that good cause exists to grant the relief sought in the Motion. Therefore, it is hereby,

ORDERED that, the Debtors are hereby authorized to enter into and to perform under the Agreement and to execute and deliver such documents and amendments to the Agreement that the Debtors and IPFS may deem reasonably necessary or desirable to carry out the Agreement; and it is further

ORDERED that, pursuant to Section 364(c) of Title 11 of the United States Code, as amended (the “**Bankruptcy Code**”) and the terms of the Agreement, the Debtors are authorized to grant to IPFS a first priority security interest (the “**Lien**”) in the Policies including (but only to the extent permitted by applicable law); (1) all money that is or may become due under the Agreement because of a loss under the Policies that reduces unearned premiums (subject to the interest of any applicable mortgagee or loss payee); (ii) any return of premiums or unearned

premiums under the Policies; and (iii) any dividends that may become due the Debtors in connection with the Policies; and it is further

ORDERED that, in the event that the Debtors default under the terms of the Agreement, IPFS, may, in accordance with the terms of the Agreement, and without further order of the Court, cancel the Policies listed in the Agreement or any amendment thereto and receive and apply the unearned or return premiums to the account of the Debtors; and it is further

ORDERED that, the full rights of IPFS pursuant to the Agreement and controlling state law be and the same hereby are fully preserved and protected and are and shall remain unimpaired by the pendency of this or any subsequent proceeding under the Bankruptcy Code, the appointment of a trustee in this case, or the conversion of the case under Chapter 7 of the Bankruptcy Code; and it is further

ORDERED that, in the event that returned or unearned premiums or other amounts due under the Policies are insufficient to pay the total amount owing by the Debtors to IPFS, any remaining amount owing to IPFS, including reasonable attorneys' fees and costs, shall be an allowed claim in this case with priority as an administrative expense pursuant to Section 503(b)(1) of the Bankruptcy Code; and it is further

ORDERED that, any monies due under the Agreement not otherwise satisfied through returned or unearned premiums or through payment of an allowed administrative claim filed by IPFS shall not be subject to discharge or release in this Chapter 11 proceeding or any corresponding Chapter 7 proceeding, notwithstanding any provision to the contrary set forth in any Chapter 11 Plan or Confirmation Order entered in the above captioned case; and it is further

ORDERED that, notwithstanding anything to the contrary contained in any Order approving secured financing in this case, the Lien granted to IPFS hereunder in connection with

the Policies shall be senior to any security interests and/or liens granted to any other secured creditors in the Debtors' case; and it is further

ORDERED that, because IPFS has extended credit to the Debtors in good faith, the reversal or modification of this Order on appeal shall not affect the validity of the debt owed to IPFS or the priority of its liens, as provided in Section 364(e) of the Bankruptcy Code.

[END OF DOCUMENT]

Prepared and presented by:

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By: /s/ Matthew W. Levin

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